



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 21, 1998

S. 1480

Harmful Algal Bloom and Hypoxia Research and Control Act of 1998

*As ordered reported by the Senate Committee on
Commerce, Science, and Transportation on July 9, 1998*

SUMMARY

S. 1480 would authorize appropriations estimated at \$28 million in 1999 and \$26 million in each of the fiscal years 2000 and 2001 for (a) research, education, and management activities at the Department of Commerce related to preventing, reducing, and controlling algal blooms and hypoxia; (b) grants to states for controlling algal blooms and hypoxia in coastal zones; and (c) an interagency task force that would conduct studies on and recommend and monitor federal responses to algal blooms and hypoxia.

CBO estimates that implementing S. 1480 would result in new spending of \$78 million over the 1999-2003 period, assuming appropriation of the authorized amounts. Enacting S. 1480 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Algal blooms are implicated in fish kills and are considered a possible threat to public health. The recent outbreak of the microbe *Pfiesteria piscicida* is one example of an algal bloom. Algal blooms can also lead to other damaging marine conditions such as hypoxia (reduced oxygen concentrations), which can be harmful or fatal to fish and shellfish.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1480 is shown in the following table. The 1998 appropriated level for the activities authorized by this bill is about \$5 million. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	5	0	0	0	0	0
Estimated Outlays	3	2	0	0	0	0
Proposed Changes						
Estimated Authorization Level	0	28	26	26	0	0
Estimated Outlays	0	18	23	25	9	3
Spending Under S. 1480						
Estimated Authorization Level ^a	5	28	26	26	0	0
Estimated Outlays	3	20	23	25	9	3

a. The 1998 level is the amount appropriated for that year for the activities authorized by S. 1480.

BASIS OF ESTIMATE

CBO assumes that S. 1480 will be enacted by September 30, 1998, and that the amounts authorized by the bill will be appropriated near the start of each fiscal year. Estimated outlays are based on historical spending patterns for similar programs.

This bill would authorize \$25.5 million annually over the 1999-2001 period for research, education, and management activities at the Department of Commerce and an additional \$2 million over the 1999-2000 period for grants to states in coastal zones. For the purposes of this estimate, CBO assumes that the entire \$2 million authorized for state grants will be provided in 1999. The bill also would expand the scope of activities permitted under the Sea Grant College Program Act, but this provision would not change the amounts authorized for that program.

In addition to these specified authorizations, CBO estimates that the activities of the interagency task force would increase discretionary spending by about \$1 million over the 1999-2001 period, assuming appropriation of the necessary amounts. The task force would consist of at least 10 representatives from various federal agencies and would be required to prepare several reports and assessments. Based on information provided by the National Oceanic and Atmospheric Administration, CBO assumes that the task force would have a small staff and would meet only a few times a year. We assume that the President would terminate the task force after three years, as authorized by the bill.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1480 contains no intergovernmental mandates as defined in UMRA, and would not impose any costs on state, local, or tribal governments. The bill would authorize appropriations of \$2 million to help coastal states control algal blooms and hypoxia. In addition, public colleges and universities in coastal states would be eligible for research grants from funds authorized by the bill.

ESTIMATED IMPACT ON THE PRIVATE SECTOR: None

PREVIOUS CBO ESTIMATE

On October 31, 1997, CBO provided an estimate for S. 1219, the Pfiesteria Research Act of 1997, as ordered reported by the Senate Committee on Environment and Public Works on October 29, 1997. CBO estimated that implementing the bill would result in discretionary spending of \$10 million over the 1998-2000 period. That bill authorized appropriations totaling \$5 million for each of fiscal years 1998 and 1999 for establishing a research program for eradicating or controlling Pfiesteria piscicida and other aquatic toxins, and for making grants to colleges, universities, and other entities for this purpose.

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